



STAFF

JOHN J. PISECK, JR.
Executive Director

STACEY J. HOLLERAN
Office Manager

VICTORIA L. ADAMS
Administration & Grant
Coordinator

JERRY J. PRITCHARD
Marketing & Communications
Specialist

BOARD OF DIRECTORS

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DAVID M. CHLUS
Vice Chairman

JOHN SCARANO
Secretary

MICHAEL WERENCZAK
Treasurer

CORY ALBRECHT
Director

CATHERINE RICCI
Director

ANN GAWORECKI
Director

COUNSEL

ANTHONY G. HALLAK, Esq.
Felt Evans, LLP

MINUTES

July 7, 2021

Herkimer County Industrial Development Agency Regular Board of Directors Meeting

The Herkimer County Industrial Development Agency held its regular meeting of the Board of Directors on Wednesday, July 7, 2021 at 8:00 AM. The meeting was held electronically via zoom conference as well as a public meeting open for the public to attend in person. Members of the public were invited to join the meeting virtually by going to www.zoom.com or by dialing (929) 205-6099 and entering meeting ID: 955 0053 9473 and passcode: 033139. Members of the public were invited to attend the meeting in person in the Herkimer County Chamber of Commerce conference room at 420 E. German Street, Herkimer, NY 13350.

After the Pledge of Allegiance, Chairman Vincent (Jim) Bono called the meeting to order at 8:04 AM.

The following members were present in person and answered the roll call: Vincent (Jim) Bono, Cory Albrecht, David Chlus, John Scarano, Michael Werenczak, Ann Gaworecki. **Quorum Present.**

Members Absent: Catherine (Cate) Ricci.

Staff Present: John Piseck, Stacey Holleran, Victoria Adams, Jerry Pritchard

Also Present in Person: Mayor Mark Netti, Village of Herkimer; Brion Carroll; Maria Fiorentino; Chris Lotey; Max Dhaniram; Marc Butler; Legislators: Greg Malta Sr., Robert Schrader, Bob Hollum; Frances Bull, Deni Frederick, Scott Flansburg, Dominick Scalise, William Penree, Richard Rhymestine, Yvonne Winter, Jennifer Parmon, Mary Morse, James Greiner, Bruce Bull, Donna Thompson, Earl Davis, Sarah Harrer, Michele Hummel.

Mission Statement: Mr. Piseck read the Agency's Mission Statement

Village of Herkimer – Mayor Netti: Mr. Bono invited Mark Netti, Mayor of the Village of Herkimer, to speak in regards to the transfer of the H.M Quackenbush facility from the Agency to the Village of Herkimer. Mayor Netti stated that the Village has a responsibility to tax-payers to do their due diligence by being granted access to enter the building in order to assess the state of the structure and nature of and damage. He requested the Village be allowed to enter the building along with those hired to complete the assessment. Mr. Piseck asked the mayor about the opportunity to seek funding through the Department of State Brownfield Opportunity Area grant program. Mr. Piseck sent Mayor Netti information and requirements regarding the funding opportunity, and the mayor said it was a mistake on his part. Mr. Bono stated that the Agency would seek the advisement of legal counsel.

420 E. German Street, Box 1 Suite 101A, Herkimer, NY 13350 315-866-3000

"This institution is an equal opportunity provider, employer and lender."

Mayor Netti and members of the public excused themselves from the meeting at 8:13 AM.

IDA board members; Legislators: Schrader, Malta, and Hollum; John Piseck, Stacey Holleran, Victoria Adams, Jerry Pritchard, and Donna Thompson remained.

Minutes: The minutes of the May 25, 2021 regular meeting and the June 11, 2021 special meeting were offered for review. **John Scarano moved, seconded by Cory Albrecht to approve the meeting minutes as presented. Motion carried with 6 Ayes and 0 Nays.**

Financial Reports: The following financial reports were offered for review and approval: May 2021 Financial Report, Balance Sheet, Check Register, RLF/Lease Balance with payment status. Mr. Piseck stated that any outstanding loans are being paid accordingly and the Agency is in a good financial position. The Agency has begun to pay back debt owned to the county as property is sold at Schuyler Business Park. The Agency will be drawing down the second half of supporting funds from the County this month as well. **John Scarano moved, seconded by Michael Werenczak, to approve all financial reports as presented. Motion carried with 6 ayes and 0 nays.**

Small Business RLF Seward 2/2/2:

Image Quilt Dance Studio: The Agency received an application from Image Quilt Dance Studio for the Small Business RLF 2-2-2 loan/grant program. The project includes the purchase of various fixtures and equipment to make necessary upgrades to the kitchen and bathroom areas of the facility. The application was approved by the RLF committee prior to the meeting. **John Scarano moved, seconded by David Chlus to approve a loan in the amount of \$2,000, a grant in the amount of \$2,000, with proof of owner injection of at least \$2,000. The funds will come from the Seward account. The loan terms will be 2% for 24 months. The motion carried with 6 ayes and 0 nays.**

Update: Victoria Adams provided a brief update to board members on the status of the Seward fund. She stated that there is sufficient funding to support additional applications.

Herkimer County Microenterprise Grant:

Gaia's Breath Farm: The Agency received an application from Gaia's Breath Farm for the Microenterprise Grant. The total project amount is estimated to be \$20,385.33. The grant amount will be 70% of the total project amount, with is estimated to be \$14,269.73. Funds will be used to purchase equipment necessary for the production of sausage and meatballs, including a sausage stuffing machine, stand mixer, spice grinder, and meatball maker. The application was approved by the RLF committee prior to the meeting. **Ann Gaworecki moved, seconded by John Scarano to approve the Microenterprise Grant application for Gaia's Breath Farm. Motion carried with 6 ayes and 0 nays.**

Update: Victoria Adams provided an update to board members on the status of the Microenterprise Grant. She stated that she is working with a business that will potentially be the final recipient of funding through the program. She also stated that she is having ongoing conversations with the community developer overseeing the project regarding applying for another Microenterprise Grant, which can be done once 85% of funds drawn down from the current grant fund award.

Russell Farm – Delta Engineers: The Agency received a proposal from Delta Engineers to provide professional engineering and land surveying services for the extension of the water and sewer lines to

the property. **Cory Albrecht moved, seconded by Michael Werenczak to approve the Agency to enter into an agreement with Delta Engineers for professional engineering and land surveying services for the extension of the water and sewer lines to the Russell Farm property, at a cost not to exceed \$48,000. Motion carried with 6 ayes and 0 nays.**

Schuyler Warehouse Development – Amended Authorizing Resolution: Due to an increase in cost, it was necessary to amend the authorizing resolution for Schuyler Warehouse Development, LLC.

After review, **David Chlus made the following motion:**

RESOLUTION AUTHORIZING THE AGENCY TO INCREASE FINANCIAL ASSISTANCE, AMEND AND EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE ACQUISITION OF AN INTEREST IN THE REAL PROPERTY SITUATE IN THE TOWN OF SCHUYLER, COUNTY OF HERKIMER AND STATE OF NEW YORK AND THE PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (the “Facility”) THROUGH LEASE AGREEMENT, LEASING SAID FACILITY BACK TO THE COMPANY THROUGH SALES AND MORTGAGE TAX EXEMPTIONS; TO ADDRESS ENVIRONMENTAL ISSUES AND TO PROVIDE FOR INDEMNIFICATION OF THE AGENCY ON SUCH ISSUES RELATING TO THE PROJECT THROUGH THE EXECUTION OF AN ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT WITH THE COMPANY (the “ECIA”); AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT

Seconded by John Scarano, the motion carried with 6 ayes and 0 nays. The official resolution is attached to the original minutes.

Update: Mr. Piseck stated that the Agency is posting updates regularly to their FaceBook and LinkedIn pages and invited board members to visit the site to see progress being made to the park, including the foundation for Schuyler Warehouse Development, the cul-de-sac, and the road. Mr. Piseck commended the Town of Schuyler for their hard work and dedication to completing the road in such a timely manner. He also said progress is being made in regards to the water and gas through National Grid.

Foothills Development, LLC (Wilcor) – Authorizing Resolution: Mr. Piseck stated that the company is still in the process of finalizing their finances. The project is still moving ahead and additional documents should be received shortly.

Hale Manufacturing – Amended Authorizing Resolution:

Due to a clarification in the in the company structure, it was necessary to amend the authorizing resolution for F.E. Hale Manufacturing Co. The company, F.E. Hale Mfg. Co. will lease the facility for its operation from Promised Land Development, LLC pursuant to a lease agreement between the Company and Promised Land Development, LLC. The amended resolution was provided to the board prior to the meeting.

After review, **John Scarano made the following motion:**

RESOLUTION AUTHORIZING THE ACCEPTANCE OF AN AMENDED APPLICATION FOR FINANCIAL ASSISTANCE AND PERMITTING THE AGENCY TO EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE ACQUISITION OF AN INTEREST IN THE REAL PROPERTY SITUATE IN THE TOWN OF SCHUYLER, COUNTY OF HERKIMER AND STATE OF NEW YORK AND THE PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (the "Facility") THROUGH LEASE AGREEMENT, LEASING SAID FACILITY BACK TO THE COMPANY THROUGH SALES AND MORTGAGE TAX EXEMPTIONS; TO ADDRESS ENVIRONMENTAL ISSUES AND TO PROVIDE FOR INDEMNIFICATION OF THE AGENCY ON SUCH ISSUES RELATING TO THE PROJECT THROUGH THE EXECUTION OF AN ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT WITH THE COMPANY (the "ECIA"); TO ENTER INTO A RECAPTURE AGREEMENT; TO ENTER INTO A PAYMENT IN LIEU OF TAX AGREEMENT; AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

Seconded by Cory Albrecht, the motion carried with 6 ayes and 0 nays. The official resolution is attached to the original minutes.

RemArms: Mr. Piseck stated that the Agency is expecting to move ahead with the project in the near future. He will keep board members abreast of advancements in the project.

Mr. Bono welcomed comments from elected officials attending the meeting.

Legislator Greg Malta: Mr. Malta stated that he represents the Village of Herkimer and is support of the Herkimer 9 project. He requested Agency board members keep an open mind in regards to the project.

Legislator Robert Schrader: Mr. Schrader thanked the Agency for allowing him to speak. He reiterated Mr. Malta's request for Agency board members to keep an open mind in regards to the Herkimer 9 project.

Legislator Bob Hollum: Mr. Hollum thanked the Agency for the hard work put into economic development within the county.

Project Updates/Other Business:

Food Processing Study: Funding was received through the New York State Office of Homes and Community Renewal CDBG program for a food processing study to be conducted in Herkimer County.

The award is very exciting, as funding has not ever been awarded through the program for a study such as this.

Brownfield Regional Conference: A meet-and-greet brownfield conference is scheduled for October 6-7 in Johnstown. The Agency is participating in the event, and board members were invited to attend as well. The event will be for not only Herkimer County, but the six counties within our region.

Town of Webb Housing Study: The Town of Webb Housing Study has been completed. Mr. Piseck will be visiting the town next week to discuss the results of the study.

IDA Polo Shirts: The Agency staff will be ordering shirts with the IDA logo, at their own cost. Board members were provided proofs of the shirts and were invited to purchase them as well.

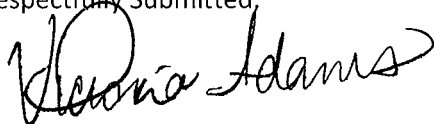
Executive Session: John Scarano moved, seconded by Michael Werenczak to enter into executive session 9:07 AM to discuss developments of a potential project. Motion carried with 6 ayes and 0 naves. All board members, Bob Hollum, John Piseck, Stacey Holleran, Victoria Adams, and Jerry Pritchard were invited to stay.

John Scarano exited the meeting at 9:30 AM.

David Chlus moved, seconded by Michael Werenczak to end executive session at 10:03 AM. Motion carried with 5 ayes and 0 naves.

Being no other business, David Chlus moved, seconded by Michael Werenczak to adjourn at 10:04 AM. Motion carried with 5 ayes and 0 naves.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Victoria Adams", written in a cursive style.

Victoria Adams
Administration & Grant Coordinator

**AMENDED
AUTHORIZING RESOLUTION**

At a meeting of the Herkimer County Industrial Development Agency, Herkimer County, New York (the “Agency”), held at 420 E. German Street, Herkimer, New York on the 7th day of July, 2021 at 8:00 a.m., the following members of the Agency were:

Present: Vincent J. Bono, David Chlus, Ann Gaworecki, John Scarano, Michael Werenczak, Cory Albrecht

Absent: Catherine Ricci

Also Present: John Piseck, Stacey Holleran, Victoria Adams, Jerry Pritchard

After the meeting had been duly called to order, the Chairman announced that the purpose of the meeting was to consider and take action on certain matters pertaining to Schuyler Warehouse Development, LLC (the “Company”).

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

AYE	NAY	ABSTAINED
*ALL	*NONE	*NONE

RESOLUTION AUTHORIZING THE AGENCY TO INCREASE FINANCIAL ASSISTANCE, AMEND AND EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE ACQUISITION OF AN INTEREST IN THE REAL PROPERTY SITUATE IN THE TOWN OF SCHUYLER, COUNTY OF HERKIMER AND STATE OF NEW YORK AND THE PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (the “Facility”) THROUGH LEASE AGREEMENT, LEASING SAID FACILITY BACK TO THE COMPANY THROUGH SALES AND MORTGAGE TAX EXEMPTIONS; TO ADDRESS ENVIRONMENTAL ISSUES AND TO PROVIDE FOR INDEMNIFICATION OF THE AGENCY ON SUCH ISSUES RELATING TO THE PROJECT THROUGH THE EXECUTION OF AN ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT WITH THE COMPANY (the “ECIA”); AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, Schuyler Warehouse Development, LLC, on behalf of itself and/or the principals of Schuyler Warehouse Development, LLC (the “Company”) has applied to the Herkimer County Industrial Development Agency (the “Agency”) to enter into a transaction relating to the acquisition, construction and equipping of a warehousing and distribution facility on a parcel of land located at 138 Kenneth Dodge Drive, Schuyler, New York 13340, Herkimer County (the “Land”), and the acquisition and installation of equipment in the Improvements, all to be used by the Company in connection with providing a complete and fully operational warehouse and distribution facility in support of Schuyler Warehouse Development, LLC (the Land, Improvements and Equipment) are referred to collectively as the “Facility” and the construction and equipping of the Improvements is referred to as (the “Project”); and

WHEREAS, the Company will lease the Facility to the Agency, pursuant to Article 18-A of the General Municipal Law of the State of New York, and Chapter 372 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively the “Act”) and the Agency will lease the Facility back to the Company pursuant to a Leaseback Agreement (the “Leaseback Agreement”); and

WHEREAS, the Company will construct, renovate and equip the Project; and

WHEREAS, the Company will construct, renovate and equip a Warehousing and Distribution Facility under the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency is authorized under its Uniform Tax Exemption Policy to provide for financial assistance to the Project; and

WHEREAS, representations made by the Company in its Application for Financial Assistance and Amended Application support the finding that the Project will promote employment opportunities and prevent economic deterioration in the area served by the Agency; and

WHEREAS, the Company will further sublease the Facility for operation pursuant to a Lease Agreement (the “Sublease Agreement”) between the Company and Sublessee.

WHEREAS, based upon recommendation made by the Company in its Application, the value of financial assistance is described as follows:

Sales and Use Tax exemptions estimated at \$240,000.00 but shall not exceed \$240,000.00 in aggregate; and

Mortgage Recording Tax not to exceed \$70,920.00.

WHEREAS, prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, a public hearing (the “Hearing”) was held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency, or the location or nature of the Facility, can be heard; and

WHEREAS, notice of the Hearing was given prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, and such notice (together with proof of publication) was in the form annexed hereto as **Exhibit A**; and

WHEREAS, the minutes of the Hearing are annexed hereto as **Exhibit B**; and

WHEREAS, the Agency has given due consideration to the operation of a distribution facility, the employment opportunities, taxable value of project and the economic conditions of the area in which the Project is situated; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed lease-leaseback transaction is either and inducement to the Company to maintain and expand the Facility in the County or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act” or “SEQRA”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company by virtue of its activities in renovating, reconstructing and equipping the Project shall submit, as a condition to closing, that SEQR review is not required, or in the alternative, the Environmental Assessment Form and related documents (Questionnaire) with respect to the Facility, a copy of which will be placed on file as the office of the Agency; and

WHEREAS, prior to the granting of any tax benefits, the Agency will complete its environmental review (if applicable) and make determinations for purposes of SEQRA.

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes of the Act and to exercise all powers granted to it under the Act; and
- (b) The Facility constitutes a “project,” such as that term is defined in the Act; and
- (c) The acquisition, construction, equipping and financing of the Facility, and the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Herkimer County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and
- (d) The acquisition, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and
- (e) Based upon representations of the Company, the Facility conforms with the local zoning laws and planning regulations of Herkimer County and all regional and local use plans for the area in which the Facility is located; and
- (f) It is desirable and in the public interest for the Agency to acquire a leasehold interest in the Facility and lease the Facility back to the Company; and
- (g) The Lease is an effective instrument whereby the Company conveys a leasehold interest to the Agency; and
- (h) The Leaseback Agreement is an effective instrument whereby the Company leases the Facility from the Agency; and

Section 2. In furtherance of Section 2895 et seq. of Title 5-A of the Public Authorities Law (the “PAL”), the Agency has negotiated the terms of the disposition of the Land and such disposition furthers an economic development interest of the State of New York and County of Herkimer and is within the purpose of the Act. The Agency afforded Notice of Disposal of Public Authority Property under Section 2897 of the PAL (the “PAL Notice”), and the Agency has received no objection thereto. The Agency has considered the information provided in the PAL Notice and the Agency hereby finds that the negotiated disposition at market value and transfer of the Land to the Company that would achieve statutory goals and purposes of the Agency. The Agency further finds that the Agency has complied with the provisions of Section

2897 of the PAL so long as the transfer of the Land to the Company does not occur prior to May 5, 2021.

Section 3. In consequence of the foregoing, and subject to the receipt and approval by the Agency of pre-closing documents deemed reasonably necessary by counsel to the Agency, the Agency hereby determines to acquire a leasehold interest in the Facility from the Company and to lease the Facility back to the Company and to execute and deliver the Lease Agreement, the Leaseback Agreement and memoranda thereof, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and/or amendment thereto and all related documents (collectively the Closing Documents).

Section 4. The form and substance of the Closing Documents (each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 5.

- (a) The Chairman, Vice Chairman, Secretary or any member of the Agency and the Executive Director, John J. Piseck, are hereby authorized, on behalf of the Agency, to execute and deliver the Closing Documents, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Secretary, Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution. The execution thereof by the Chairman, Vice Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.
- (b) The Chairman, Vice Chairman, Secretary or member of the Agency and the Executive Director, John J. Piseck, are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Closing Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Closing Documents binding upon the Agency.

[illegible]

I, Stacey Holleran, the undersigned Assistant Secretary of the Herkimer County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Herkimer County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on the 7th day of July, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Closing Documents contained in this transcript of proceedings are each in substantially the substance presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 7th day of July, 2021.

HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Stacey Holleran
Stacey Holleran, Secretary

AMENDED AUTHORIZING RESOLUTION

At a meeting of the Herkimer County Industrial Development Agency, Herkimer County, New York (the “Agency”), held at 420 E. German Street, Herkimer, New York on the 7th day of July, 2021 at 8:00 a.m., the following members of the Agency were:

Present: Vincent J. Bono, David Chlus, Ann Gaworecki, John Scarano, Michael Werenczak, Cory Albrecht

Absent: Catherine Ricci, Anthony Hallak,

Also Present: John Piseck, Stacey Holleran, Victoria Adams, Jerry Pritchard

After the meeting had been duly called to order, the Chairman announced that the purpose of the meeting was to consider and take action on certain matters pertaining to F.E. Hale Mfg. Co. (the “Company”).

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

AYE	NAY	ABSTAINED
*ALL	*NONE	*NONE

RESOLUTION AUTHORIZING THE ACCEPTANCE OF AN AMENDED APPLICATION FOR FINANCIAL ASSISTANCE AND PERMITTING THE AGENCY TO EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE ACQUISITION OF AN INTEREST IN THE REAL PROPERTY SITUATE IN THE TOWN OF SCHUYLER, COUNTY OF HERKIMER AND STATE OF NEW YORK AND THE PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (the “Facility”) THROUGH LEASE AGREEMENT, LEASING SAID FACILITY BACK TO THE COMPANY THROUGH SALES AND MORTGAGE TAX EXEMPTIONS; TO ADDRESS ENVIRONMENTAL ISSUES AND TO PROVIDE FOR INDEMNIFICATION OF THE AGENCY ON SUCH ISSUES RELATING TO THE PROJECT THROUGH THE EXECUTION OF AN ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT WITH THE COMPANY (the “ECIA”); TO ENTER INTO A RECAPTURE AGREEMENT; TO ENTER INTO A PAYMENT IN LIEU OF TAX AGREEMENT; AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, F.E. Hale Mfg. Co., on behalf of itself and/or the principals of F.E. Hale Mfg. Co. (the "Company") has applied to the Herkimer County Industrial Development Agency (the "Agency") to enter into a transaction relating to the acquisition of an interest of land, as hereinafter defined, the construction and equipping of manufacturing facility and office space on a parcel of land located at 11206 Cosby Manor Road, Schuyler, New York 13502, Herkimer County (the "Land"), and the acquisition and installation of equipment in the Improvements, all to be used by the Company in connection with providing a complete manufacturing facility and office space in support of F.E Hale Mfg. Co. (the Land, Improvements and Equipment) are referred to collectively as the "Facility" and the construction and equipping of the Improvements is referred to as (the "Project"); and

WHEREAS, the Company will further lease the facility for its operation from Promised Land Development, LLC pursuant to a lease agreement between the Company and Promised Land Development, LLC; and

WHEREAS, the Company will sublease the Facility to the Agency, pursuant to Article 18-A of the General Municipal Law of the State of New York, and Chapter 372 of the Laws on 1970 of the State of New York, as may be amended from time to time (collectively the "Act") and the Agency will lease the Facility back to the Company pursuant to a Leaseback Agreement (the "Leaseback Agreement"); and

WHEREAS, the Company will reconstruct, renovate and equip the Project as Agent of the Agency; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency is authorized under its Uniform Tax Exemption Policy to provide for financial assistance to the Project; and

WHEREAS, representations made by the Company in its Application for Financial Assistance support the finding that the Project will promote employment opportunities and prevent economic deterioration in the area served by the Agency; and

WHEREAS, based upon recommendation made by the Company in its Application, the value of financial assistance is described as follows:

Sales and Use Tax exemptions estimated at \$57,420.00 but shall not exceed \$57,420.00 in aggregate;

Real Property Tax Abatement is estimated at \$63,080.00.

WHEREAS, prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, a public hearing (the "Hearing") was held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency, or the location or nature of the Facility, can be heard; and

WHEREAS, notice of the Hearing was given prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, and such notice (together with proof of publication) was in the form annexed hereto as **Exhibit A**; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as **Exhibit B**; and

WHEREAS, the Agency has given due consideration to the operation of a retail facility and the economic conditions of the area in which the Project is situated; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed lease-leaseback transaction is either and inducement to the Company to maintain and expand the Facility in the County or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act” or “SEQRA”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company by virtue of its activities in renovating, reconstructing and equipping the Project shall submit, as a condition to closing, that SEQR review is not required, or in the alternative, the Environmental Assessment Form and related documents (Questionnaire) with respect to the Facility, a copy of which will be placed on file as the office of the Agency; and

WHEREAS, prior to the granting of any tax benefits, the Agency will complete its environmental review (if applicable) and make determinations for purposes of SEQRA.

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes of the Act and to exercise all powers granted to it under the Act; and
- (b) The Facility constitutes a “project,” such as that term is defined in the Act; and
- (c) The acquisition, construction, equipping and financing of the Facility, and the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Herkimer County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and
- (d) The acquisition, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

- (e) Based upon representations of the Company, the Facility conforms with the local zoning laws and planning regulations of Herkimer County and all regional and local use plans for the area in which the Facility is located; and
- (f) It is desirable and in the public interest for the Agency to acquire a leasehold interest in the Facility and lease the Facility back to the Company; and
- (g) The Lease is an effective instrument whereby the Company conveys a leasehold interest to the Agency; and
- (h) The Leaseback Agreement is an effective instrument whereby the Company leases the Facility from the Agency; and

Section 2. In consequence of the foregoing, and subject to the receipt and approval by the Agency of pre-closing documents deemed reasonably necessary by counsel to the Agency, the Agency hereby determines to acquire a leasehold interest in the Facility from the Company and to lease the Facility back to the Company and to execute and deliver the Lease Agreement, the Leaseback Agreement and memoranda thereof, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and all related documents (collectively the Closing Documents).

Section 3. The form and substance of the Closing Documents (each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 4.

- (a) The Chairman, Vice Chairman, Secretary or any member of the Agency and the Executive Director, John J. Piseck, are hereby authorized, on behalf of the Agency, to execute and deliver the Closing Documents, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Secretary, Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution. The execution thereof by the Chairman, Vice Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.
- (b) The Chairman, Vice Chairman, Secretary or member of the Agency and the Executive Director, John J. Piseck, are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Closing Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution

and to cause compliance by the Agency with all of the terms, covenants and provisions of the Closing Documents binding upon the Agency.

STATE OF NEW YORK)

) **SS.:**

COUNTY OF HERKIMER)

I, Stacey Holleran, the undersigned Assistant Secretary of the Herkimer County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Herkimer County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on the 7th day of July, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Closing Documents contained in this transcript of proceedings are each in substantially the substance presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 7th day of July, 2021.

HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Stacey Holleran
Stacey Holleran, Secretary